

FISCAL NOTE

July 13, 2020

| | | | | | |
|-----------------|--------|----------------------|------|-----------------|---------|
| Bill No: | SB 915 | Printer's No: | 1717 | Sponsor: | Yaw (R) |
|-----------------|--------|----------------------|------|-----------------|---------|

COST / (SAVINGS)

| Fund (s) | 2019-20 | 2020-21 |
|------------------------------|---------------------|-------------|
| General Fund | See "FISCAL IMPACT" | \$100,000 |
| Agronomic Regulatory Account | See "FISCAL IMPACT" | (\$100,000) |

SUMMARY: SB 915 repeals the Fertilizer Act and introduces a new set of regulations for the application and manufacture of fertilizer, including new licensure and certification programs within the Department of Agriculture.

ANALYSIS: SB 915 repeals the entirety of the Fertilizer Act and establishes comprehensive regulations and licensure requirements for commercial fertilizer applicators and manufacturers.

The bill requires fertilizer applicators to obtain a license from the Department of Agriculture for a \$100 annual fee. SB 915 directs the Department to develop a certification program for these applicators, along with an examination and a \$10 examination fee. SB 915 also increases the fee fertilizer manufacturers and distributors currently pay for an annual license, from \$25 to \$50 per year. Additionally, specialty fertilizer manufacturers are required to pay a \$100 fee for each specialty fertilizer that they register with the Department.

SB 915 grants the Department of Agriculture the ability to increase any of these fees through the regulatory process as program costs necessitate. SB 915 also allows the Department to impose fines and penalties for non-compliance with these licensing requirements. All revenue from any fines or fees established under this legislation will accrue to the Agronomic Regulatory Account, which is a restricted account within the General Fund which the Department may use to pay costs associated with the fertilizer application certification program. SB 915 also directs the Department of Agriculture to develop an educational campaign on fertilizer use with the Pennsylvania State University.

SB 915 takes effect immediately.

FISCAL IMPACT: SB 915 makes an initial \$100,000 appropriation from the General Fund to the Agronomic Regulatory Account for the Department of Agriculture to utilize in the implementation of the application licensing and training programs. The Department estimates that the revenue from the combination of licensing and examination fees, fines, and penalties will raise approximately \$825,000 in annual revenue to the Agronomic Regulatory Account.